

What is claimed is:

1. A method for structuring a state revolving fund bond program including at least one bond, comprising:

primarily securing each bond associated with the state revolving fund bond program by a pledge of borrower loan payments;

secondarily securing each bond associated with the state revolving fund bond program by a limited recourse general obligation;

excluding program equity from being pledged or available to meet the limited recourse general obligation; and

providing an interest subsidy from a combination of program equity and earnings, which may or may not be pledged to secure the bonds, and excluding the remaining equity from the sinking fund.

2. The method of claim 1, wherein the step of excluding program equity from being pledged or available to meet the limited recourse general obligation further comprises excluding program equity from being available to meet the limited recourse general obligation until at least a portion of the program equity has been de-allocated, after which the de-allocated portion of the program equity is made available to meet the limited recourse general obligation.

3. The method of claim 2, wherein the portion of the program equity is de-allocated on the date on which a loan payment associated with a given loan is due.

4. The method of claim 3, wherein the portion of the program equity is de-allocated regardless of whether the loan payment associated with the given loan is actually made.

5. The method of claim 1, wherein earnings from the program equity are paid to a borrower associated with a given loan.

6. The method of claim 5, wherein the earnings from the program equity are paid to the borrower on a periodic basis.

7. The method of claim 6, wherein a periodic payment of the earnings from the program equity is made to the borrower after a loan payment associated with the given loan is due.

8. The method of claim 7, wherein the periodic payment of earnings from the program equity is made to the borrower regardless of whether the loan payment associated with the given loan is actually made.

9. The method of claim 5, wherein the earnings from the program equity are paid to the borrower in advance.

10. The method of claim 9, wherein the earnings from the program equity are paid to the borrower in advance in an amount substantially equal to a present value of the expected earnings.

11. The method of claim 10, wherein the present value of the expected earnings is calculated using an expected yield.

12. The method of claim 2, wherein a lien is granted on the de-allocated portion of the program equity.

13. The method of claim 12, wherein the lien is superior to the availability of the de-allocated portion of the program equity to meet the limited recourse general obligation.

14. The method of claim 1, wherein the state revolving fund bond program is structured in connection with an initial financing.

15. The method of claim 1, wherein the state revolving fund bond program is structured in connection with a refunding.

16. A method for structuring a state revolving fund bond program including at least one bond, comprising:

primarily securing each bond associated with the state revolving fund bond program by a pledge of borrower loan payments;

secondarily securing each bond associated with the state revolving fund bond program by a limited recourse general obligation; and

excluding a corpus allocation corresponding to each loan from being available to meet the limited recourse general obligation.

17. The method of claim 16, wherein the step of excluding a corpus allocation corresponding to each loan from being available to meet the limited recourse general obligation further comprises excluding a corpus allocation corresponding to each loan from being available to meet the limited recourse general obligation until at least a portion of the corpus allocation has been de-allocated, after which the de-allocated portion of the corpus allocation is made available to meet the limited recourse general obligation.

18. The method of claim 17, wherein the portion of the corpus allocation corresponding to a given loan is de-allocated on the date on which a loan payment associated with the given loan is due.

19. The method of claim 18, wherein the portion of the corpus allocation corresponding to the given loan is de-allocated regardless of whether the loan payment associated with the given loan is actually made.

20. The method of claim 16, wherein earnings from the corpus allocation corresponding to a given loan are paid to a borrower associated with the given loan.

21. The method of claim 20, wherein the earnings from the corpus allocation corresponding to the given loan are paid to the borrower on a periodic basis.

22. The method of claim 21, wherein a periodic payment of the earnings from the corpus allocation corresponding to the given loan is made to the borrower after a loan payment associated with the given loan is due.

23. The method of claim 22, wherein the periodic payment of earnings from the corpus allocation corresponding to the given loan is made to the borrower regardless of whether the loan payment associated with the given loan is actually made.

24. The method of claim 20, wherein the earnings from the corpus allocation corresponding to the given loan are paid to the borrower in advance.

25. The method of claim 24, wherein the earnings from the corpus allocation corresponding to the given loan are paid to the borrower in advance in an amount substantially equal to a present value of the expected earnings.

26. The method of claim 25, wherein the present value of the expected earnings is calculated using an expected yield.

27. The method of claim 17, wherein a lien is granted on the de-allocated portion of the corpus allocation of a given loan.

28. The method of claim 27, wherein the lien is superior to the availability of the de-allocated portion of the corpus allocation to meet the limited recourse general obligation.

29. The method of claim 16, wherein the state revolving fund bond program is structured in connection with an initial financing.

30. The method of claim 16, wherein the state revolving fund bond program is structured in connection with a refunding.

31. A method for structuring a state revolving fund bond program including an SRF fund with program equity, at least one loan made to a borrower, and at least one bond issued to a bondholder corresponding to the loan made to the borrower, comprising:

receiving, into the SRF fund, loan repayments made by the borrower; and

paying bond debt service with the loan repayments made by the borrower and, to the extent required, from program equity and earnings thereon.

32. The method of claim 31, further comprising securing payment of bond debt service with at least one of: (i) at least one loan; and (ii) a limited recourse general obligation or unsecured contractual obligation associated with the SRF fund.

33. The method of claim 32, further comprising retaining at least a portion of the program equity in cash, which portion of the program equity retained as cash does not constitute a pledged fund or a sinking fund and can thus be invested at an essentially unrestricted yield.

34. The method of claim 33, wherein the state revolving fund bond program further includes an interest subsidy fund and at least a portion of an interest subsidy from the interest subsidy fund is used to pay bond debt service along with loan repayments before bond debt service is paid under the limited recourse general obligation.

35. The method of claim 34, wherein the state revolving fund bond program further includes an equity funded subsidy escrow and at least a portion of an interest subsidy from the equity funded subsidy escrow is used to pay bond debt service along with loan repayments before bond debt service is paid under the limited recourse general obligation.

36. The method of claim 35, wherein the equity funded subsidy escrow is used to pay bond debt service on less than all of the loans in the state revolving fund bond program.

37. The method of claim 36, wherein each loan in the state revolving fund bond program for which debt service is paid by the equity funded subsidy escrow is payable from a guaranteed investment contract.

38. The method of claim 37, wherein each loan in the state revolving fund bond program for which debt service is paid by the equity funded subsidy escrow has a lower priority to at least one of (a) repayments made by the borrowers and (b) the limited recourse general obligation associated with the SRF fund than does each loan in the state revolving fund bond program for which debt service is not paid by the equity funded subsidy escrow.

39. The method of claim 36, wherein a bond corresponding to a loan in the state revolving fund bond program for which debt service is not paid by the equity funded subsidy escrow is issued as a variable rate bond.

40. The method of claim 35, wherein the equity funded subsidy escrow is funded at least in part from a portion of program equity corresponding to a given loan.

41. The method of claim 40, wherein the portion of the program equity corresponding to the given loan which is used to fund the equity funded subsidy escrow is expended with interest to provide the interest subsidy.

42. The method of claim 41, wherein the portion of the program equity corresponding to the given loan which is used to fund the equity funded subsidy escrow is yield restricted.

43. The method of claim 40, wherein a portion of the program equity corresponding to a given loan which is not used to fund the equity funded subsidy escrow is not yield restricted.

44. The method of claim 33, wherein when the state revolving fund bond program includes at least two bonds the bond debt service of a given bond secured under the limited recourse general obligation associated with the SRF fund is secured at one of at least two priority levels.

45. The method of claim 33, wherein the state revolving fund bond program is structured in connection with an initial financing.

46. The method of claim 33, wherein the state revolving fund bond program is structured in connection with a refunding.

47. A method for structuring a state revolving fund bond program including an SRF fund with program equity, an interest subsidy fund, an equity funded subsidy escrow, at least one loan made to a borrower, and at least one bond issued to a bondholder corresponding to the loan made to the borrower, comprising:

receiving, into the SRF fund, loan repayments made by each borrower; and

paying bond debt service with loan repayments made by each borrower, at least a portion of an interest subsidy from the interest subsidy fund, at least a portion of an interest subsidy from the equity funded subsidy escrow, and, to the extent required, from program equity and earnings thereon.

48. The method of claim 47, further comprising securing payment of bond debt service with at least one of: (i) at least one loan; and (ii) a limited recourse general obligation associated with the SRF fund.

49. The method of claim 48, further comprising retaining at least a portion of the program equity in cash, which portion of the program equity retained as cash does not constitute a pledged fund or a sinking fund and can thus be invested at an essentially unrestricted yield.

50. The method of claim 49, wherein the equity funded subsidy escrow is used to pay bond debt service on less than all of the loans in the state revolving fund bond program.

51. The method of claim 50, wherein each loan in the state revolving fund bond program for which debt service is paid by the equity funded subsidy escrow is payable from a guaranteed investment contract.

52. The method of claim 51, wherein each loan in the state revolving fund bond program for which debt service is paid by the equity funded subsidy escrow has a lower priority to at least one of (a) repayments made by the borrowers and (b) the limited recourse general obligation associated with the SRF fund than does each loan in the state revolving fund bond program for which debt service is not paid by the equity funded subsidy escrow.

53. The method of claim 52, wherein a bond corresponding to a loan in the state revolving fund bond program for which debt service is not paid by the equity funded subsidy escrow is issued as a variable rate bond.

54. The method of claim 49, wherein the equity funded subsidy escrow is funded at least in part from a portion of program equity.

55. The method of claim 54, wherein the portion of the program equity which is used to fund the equity funded subsidy escrow is expended with interest to provide the interest subsidy.

56. The method of claim 55, wherein the portion of the program equity which is used to fund the equity funded subsidy escrow is yield restricted.

57. The method of claim 54, wherein a portion of the program equity which is not used to fund the equity funded subsidy escrow is not yield restricted.

58. The method of claim 49, wherein when the state revolving fund bond program includes at least two bonds the bond debt service of a given bond secured under the limited recourse general obligation associated with the SRF fund is secured at one of at least two priority levels.

59. The method of claim 49, wherein the state revolving fund bond program is structured in connection with an initial financing.

60. The method of claim 49, wherein the state revolving fund bond program is structured in connection with a refunding.